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February 5, 2015

Written testimony of Ray Wilkens, Administrator, The Summit at Plantsville, Concerning

*Proposed H.B. No. 5586 AN ACT INCREASING NURSING FACILITY RATES. http://www.cga.ct.gov/2015/TOB/H/2015HB-05586-R00-HB.htm

*Proposed H.B. No. 5812 AN ACT CONCERNING A COST OF LIVING INCREASE FOR NURSING FACILITIES: http://www.cga.ct.gov/2015/TOB/H/2015HB-05812-R00-HB.htm

*Proposed S.B. No. 231 AN ACT CONCERNING COST-OF-LIVING INCREASES FOR NURSING HOMES. http://www.cga.ct.gov/2015/TOB/S/2015SB-00231-R00-SB.htm

Good evening Senator Moore, Representative Abercrombie and to the members of the Human Services Committee. My name is Ray Wilkens. I am the Administrator at the Summit at Plantsville in Plantsville, Connecticut and I am a member of the Medicaid Cost Savings Sub-Committee.

The Summit at Plantsville is a longstanding provider of nursing care in the community of Plantsville. We serve the community with 150 beds and 280 dedicated employees. We are the recent recipients of the American Health Care Association tier one recognition for safely reducing the off-label use of antipsychotics. We are a VA contracted facility serving our veterans and we are an active member of the Alzheimer's Foundation of America.

First I want to publicly thank the state legislators who introduced these badly needed bills---House Republican Leader Klarides, and Representatives Perillo and Gentile, and State Senator Crisco. And thank you also to the Human Services Committee for including these bills at this public hearing.

The bills all get to the same issue. Medicaid Nursing facility rates have been basically flat since 2007, but costs have been dramatically rising. The bills recognize that just can't work over time and provide for

increasing rates, by an annual cost of living adjustment or through a formula that increases rates based on the nursing facilities costs.

The message from the operator's point of view is simple----Our nursing facilities needs your help. We just can't continue on a path where no help is provided without strapping our employees and jeopardizing quality.

Here are some examples of what we are up against in our nursing facility while the rates have been stagnant:

- Increased Patient Acuity in an ACO era of expected decreased length of stays, higher case management
 expectations on nursing facilities, greater patient education load, higher expectations for outcomes and
 the increased data collection associated with reporting this.
- In addition to these performance standards the trend is lower re-imbursement, higher patient copay/deductible burden (in some cases greater than \$6,000 deductible) which is increasingly difficult to realize and in many cases requires very extended repayment terms.
- Skilled Nursing facilities are becoming increasingly responsible financially for residents care with
 Exclusions in contracts shrinking resulting in facilities bearing greater burden for costly medications and
 treatments.
- Costs for electricity, food, natural gas, encryption software and criminal background checks have significantly increased.

I am asking you to advance these bills and provide our nursing facilities the help they need to care for our residents.

Thank you and I would be happy to answer any questions you may have.

Sincerely,

Ray Wilkens Administrator